



City Councilmember
Carl DeMaio

News Release

DeMaio Report Questions City's Ability to Fund a New Downtown Library

School-Library Concept May Cost More than the \$20 Million School District Contribution

EMBARGOED UNTIL
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SAN DIEGO – City Councilmember Carl DeMaio called on the City Council today to suspend the long-delayed and financially troubled proposal to build a new Downtown Library and instead refocus its attention on investing in improving the condition and service levels at neighborhood branch libraries.

"The new downtown library will cost much more than taxpayers are being led to believe. The city is in no financial position to build and staff a new downtown library. Given the city's financial crisis, the city should protect services and hours in our branch libraries rather than taking on this unsustainable project at this time," DeMaio commented.

Among the findings of DeMaio's report:

- **Higher Construction Costs:** Originally estimated to cost \$62 million in 1996 and \$185 million in 2005, an estimate of the new downtown library using a state construction cost inflation index is now pegged as at least **\$208 million**.
- **Addition of School Could Cost More than Contribution:** Redesign and regulatory costs for the addition of a school to the library could increase construction costs by 20%. These cost escalators could exceed the \$20 million contribution being offered by the school district.
- **Increased Operating Costs:** The city's library budget would have to shift almost \$5 million annually to staff and maintain the new downtown library once it opens. That shift would either exacerbate the city's structural budget deficit or, assuming a constant city-wide library department budget, may come at the expense of branch libraries.
- **"Bait and Switch" Taxpayer Funding:** DeMaio's report highlights the fact that – contrary to initial claims by library boosters that private funds would cover the bulk of construction – the taxpayers are now being asked to foot **84% of building costs**. What's worse, in an effort to tap taxpayer funds from San Diego Unified School District, the project would require the school district to spend taxpayer-approved bond funds in a manner inconsistent with the case offered by the district during the bond campaign.

"I am concerned there is a 'bait and switch' approach to securing taxpayer funding for this project. Not only did the private donations not materialize as project boosters promised, but proceeding forward with this costly project seems to be coming at the expense of our struggling branch libraries and school system," DeMaio commented.

Reflecting his commitment to a strong and financially-secure city library system, DeMaio will be urging his colleagues in the coming weeks to formally suspend the plan for the new downtown library – with a recommendation to refocus efforts on protecting hours and services at city branch libraries.

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